AMENDED IN ASSEMBLY MAY 18, 2015 AMENDED IN ASSEMBLY MAY 5, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 402

Introduced by Assembly Member Dodd

February 19, 2015

An act to amend Section 56133 of, *and to add and repeal Section* 56133.5 of, the Government Code, relating to local agency formation.

LEGISLATIVE COUNSEL'S DIGEST

AB 402, as amended, Dodd. Local agency services: contracts.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the procedures for the formation and change of organization of cities and special districts. Existing law permits a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Under existing law, the commission may authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances, including when responding to an impending threat to the public health or safety of the residents in the affected territory where specified requirements are met.

This bill would-additionally allow a commission to authorize a city or district to provide new or extended services outside its jurisdictional boundary to support existing or planned uses involving public or private properties, subject to approval at a publicly noticed hearing where the commission makes specified determinations. The bill would also make

AB 402 — 2 —

technical and conforming changes: revise the circumstances under which the commission may authorize a city or district to provide new or extended services. This bill would additionally establish a pilot program, until January 1, 2021, for the Napa, Sonoma, and San Bernardino commissions that would permit those commissions to authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Napa, Sonoma, and San Bernardino commissions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 56133 of the Government Code is 2 amended to read:
- 56133. (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.
 - (b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.
 - (c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to do either of the following: respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
 - (1) Respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
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22 (1) The entity applying for approval has provided the 23 commission with documentation of a threat to the health and safety 24 of the public or the affected residents. -3 AB 402

(B)

- (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.
- (2) Support existing or planned uses involving public or private properties, subject to approval at a noticed public hearing in which the commission makes all of the following determinations:
- (A) The extension of service or services deficiency was identified and evaluated in a review of municipal services prepared pursuant to Section 56430.
- (B) The extension of service will not result in adverse impacts on open space or agricultural lands, or have growth inducing impacts.
- (C) A later change of organization involving the subject territory and its affected agency is not feasible under this division or desirable based on the adopted policies of the commission.
- (d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
- (e) This section does not apply to two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be

AB 402 —4—

provided is consistent with the level of service contemplated by the existing service provider.

- (f) This section does not apply to the transfer of nonpotable or nontreated water.
- (g) This section does not apply to the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
- (h) This section does not apply to an extended service that a city or district was providing on or before January 1, 2001.
- (i) This section does not apply to a local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.
- (j) This section applies only to the commission of the county in which the extension of service is proposed.
- SEC. 2. Section 56133.5 is added to the Government Code, to read:
- 56133.5. (a) A pilot program is hereby established for the Napa, Sonoma, and San Bernardino commissions. If consistent with adopted policy, Napa, Sonoma, and San Bernardino commissions may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to support existing or planned uses involving public or private properties, subject to approval at a noticed public hearing in which the commission makes all of the following determinations:
- (1) The extension of service or services deficiency was identified and evaluated in a review of municipal services prepared pursuant to Section 56430.
- (2) The extension of service will not result in adverse impacts on open space or agricultural lands or have growth inducing impacts.

5 AB 402

(3) A later change of organization involving the subject territory and its affected agency is not feasible under this division or desirable based on the adopted policies of the commission.

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- (b) Subdivision (d) of Section 56133 shall apply to any request for new or extended services pursuant to this section.
- (c) For purposes of this section, "planned use" means any project that is included in an approved specific plan.
- (d) The Napa, Sonoma, and San Bernardino commissions shall submit a report to the Legislature on their participation in the pilot program, including how many requests for extension of services were received pursuant to this section and the action by the commission to approve, disapprove, or approve with conditions. The report required to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.
- (e) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.
- 18 SEC. 3. The Legislature finds and declares that a special law 19 is necessary and that a general law cannot be made applicable 20 within the meaning of Section 16 of Article IV of the California 21 Constitution because of the unique circumstances in Napa, Sonoma, 22 and San Bernardino.